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The MARKET NEWS SERVICE on Tobacco and Naval Stores

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U.S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
MARKETING BULLETIN No. 43

The
MARKET NEWS SERVICE
on Tobacco and Naval Stores

WHAT IS TOBACCO MARKET NEWS?

Tobacco market news is an exchange of information between growers, buyers, sellers, and others on supplies, demand, and prices of tobacco.

This seasonal service covers 175 auction markets in 12 States. Through a system of four reporting offices in major production areas, a staff of experienced market news reporters employed by the U.S. Department of Agriculture, with cooperation from State agencies, provides accurate and unbiased information to all segments of the industry.

The tobacco market news service is part of USDA's Agricultural Marketing Service (AMS). It is a companion service to the tobacco inspection service which places official USDA grades on all lots of tobacco offered for sale at auction.

TYPES OF TOBACCO COVERED BY MARKET NEWS

Flue-Cured

11 Old Belt (Virginia, North Carolina) and Middle Belt (North Carolina)
12 Eastern Belt (North Carolina)
13 Border Belt (South Carolina, North Carolina)

14 Georgia-Florida Belt (Georgia, Florida, Alabama)

Fire-Cured

21 Virginia Fire-Cured (Virginia)
22 Eastern District (Kentucky, Tennessee)
23 Western District (Kentucky, Tennessee)

Air-Cured

31 Burley (Kentucky, Tennessee, Virginia, North Carolina, Ohio, West Virginia, Indiana, Missouri)
32 Maryland (Maryland)
35 One Sucker (Kentucky, Tennessee)
36 Green River (Kentucky)
37 Virginia Sun-Cured (Virginia)

HOW TOBACCO MARKET NEWS IS COLLECTED AND DISSEMINATED

Market news reporters in central market areas gather information on all types of tobacco from auction floors and trade sources. State and Federal personnel at selected markets relay data to the reporters on grades, prices, volume sold, quality, amounts pledged for Government loan, and other information.

At the central offices, the market news reporters assemble and analyze the data, sharing it with reporters in other areas. They issue weekly price reports and news releases in season to keep growers and the news media abreast of tobacco market activity. A news release at the end of the market season summarizes the activity for all types of tobacco. An annual tobacco market review gives detailed statistics about the past marketing season.

NAVAL STORES MARKET NEWS

AMS also reports year-round on the marketing of gum rosin and gum turpentine from pine trees. The Raleigh, N.C., national office issues weekly, monthly, and annual releases. Most information is obtained by personal visits with or phone calls to dealers, processors, and exporters. The reports include information on current prices, volume traded or exported, quantity pledged for loans, and comments on market activity.

GLOSSARY OF TERMS USED IN FEDERAL-STATE MARKET NEWS REPORTS

The following terms are used in all USDA and Federal-State market news reports.

MARKET—A term with several meanings:
A geographic location where a commodity is traded.
The price, or price level, at which a commodity is traded.
To sell (verb).

MARKET ACTIVITY—The pace at which sales are being made.

active—Available supplies (offerings) are readily clearing the market.

moderate—Available supplies (offerings) are clearing the market at a reasonable rate.

slow—Available supplies (offerings) are not readily clearing the market.
inactive—Sales are intermittent with few buyers or sellers.
PRICE TREND—The direction in which prices are moving in relation to trading in the previous reporting period(s).
higher—The majority of sales are at prices measurably higher than the previous trading session.
firm—Prices are tending higher, but not measurably so.
steady—Prices are unchanged from previous trading session.
weak—Prices are tending lower, but not measurably so.
lower—Prices for most sales are measurably lower than the previous trading session.
SUPPLY/OFFERING—The quantity of a particular item available for current trading.
heavy—When the volume of supplies is above average for the market being reported.
moderate—When the volume of supplies is average for the market being reported.
light—When the volume of supplies is below average for the market being reported.
DEMAND—The desire to possess a commodity coupled with the willingness and ability to pay.
very good—Offerings or supplies are rapidly absorbed.
good—Firm confidence on the part of buyers that general market conditions are good. Trading is more active than normal.
moderate—Average buyer interest and trading.
light—Demand is below average.
very light—Few buyers are interested in trading.
MOSTLY—The majority of sales or volume.
UNDERTONE—Situation or sense of direction in an unsettled market situation.

HOW TO GET MARKET NEWS

Tobacco market news reports are carried in local newspapers and over radio and television. Reports are available daily in all auction warehouses and can also be obtained from Federal inspectors. Telephone recorders at several market news offices provide information 24 hours a day.

To get copies of printed reports, write or call the offices listed below:

Tobacco Market News
P.O. Box 27846
Raleigh, NC 27611
(919) 755-4550
Types 11, 12, 13, 14, 21, and 37

Tobacco Market News
333 Waller Ave.
Imperial Towers
Lexington, KY 40504
(606) 252-2312 Ext. 2651
Types 22, 23, 31, 32, 35, and 36

Naval Stores Market News
P.O. Box 27846
Raleigh, NC 27611
(919) 755-4550

Telephone recorders at market news offices in the following cities provide 24-hour tobacco market news information. Reports are available during the seasons indicated. Ask the operator for the Federal-State Tobacco Market News Recorder under State or Federal listing.

Lexington, Ky. late November-February
Raleigh, N.C. July-November
Upper Marlboro, Md. April-June
Valdosta, Ga. July-September

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